

United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Color Country District Office  
Richfield Field Office  
150 East 900 North  
Richfield, Utah 84701  
Telephone (435) 896-1500  
www.ut.blm.gov



In Reply Refer To:  
3809  
(U-050)  
UTU-71573

June 7, 2010

CERTIFIED MAIL 7008 1830 0000 0480 5374  
RETURN RECEIPT REQUESTED

Mr. Tony Aguiar  
Diversified Stone Products, Inc.  
P. O. Box 265  
Fillmore, Utah 84631

**RECEIVED**  
**JUN 09 2010**  
**DIV. OF OIL, GAS & MINING**

**RE: DEMAND TO COMPLETE RECLAMATION REQUIRED BY  
NONCOMPLIANCE ORDER**

Dear Mr. Aguiar:

Your Notice UTU-71573 was filed with this office on November 16, 1994, for mining-related activity at T. 26 S., R. 4 W., section 23, SLM, in Sevier County, Utah. The notice shows Diversified Stone Products as the operator. The mining claim is identified as Wonder 2, which has a serial number of UMC 356168 as assigned by the Bureau of Land Management (BLM), and was abandoned on September 1, 2007.

This notice was not bonded for reclamation in 2003 as required by the federal regulations at 43 CFR 3809. In 2004, the notice expired for failure to properly post a financial guarantee for reclamation. As a result, Diversified Stone Products was required at that time to reclaim the surface disturbance associated with the notice in accordance with the federal regulations. In 2006, BLM issued Diversified Stone Products a Noncompliance Order for the failure to reclaim the surface disturbance. In June 2007, the Division of Oil, Gas, and Mining (DOGM), State of Utah, issued a Cessation Order requiring that Diversified Stone Products cease activities at the site, except for reclamation, pay appropriate fees, and post an acceptable surety bond.

Reclamation work was partially completed by a contractor on the behalf of Diversified Stone Products in the middle of August and late November 2007. In April 2008, DOGM and BLM met with you at the project area to discuss resolution of the BLM Noncompliance Order and the DOGM Cessation Order and to discuss the additional work that would bring reclamation into



compliance with those orders. Subsequently, attempts by DOGM and BLM to prompt you to complete the reclamation at the project area were unsuccessful.

In November 2008, DOGM issued a Notice of Agency Action, which required completion of reclamation within 90 days of your receipt. BLM has notified you on several occasions by certified mail that the Noncompliance Order requiring reclamation is still in effect.

On December 9, 2009, the Utah Board of Oil, Gas, and Mining (Board) heard a request on behalf of DOGM for termination of the Notice of Intention of Tony Aguiar (Diversified Stone Products), for immediate reclamation, and for authorization of DOGM to file suit to reclaim the site. No evidence was presented to the Board on behalf of Diversified Stone Products or any other potentially liable party. On March 2, 2010, the Board ruled that Diversified Stone Products must commence immediately and satisfactorily complete reclamation of the site. The Board further ruled that, if Diversified Stone Products does not complete the reclamation, DOGM or BLM may reclaim the site and recover the costs for such work from Diversified Stone Products.

As provided by 43 CFR 3809.116, mining claimants and operators are liable for obligations under the 43 CFR 3809 regulations that accrue while they hold their interests. Relinquishment, forfeiture, or abandonment of a mining claim does not relieve a mining claimant or operator of responsibility for obligations that accrued or conditions that were created while the mining claimant or operator was responsible for operations on the mining claim or in the project area. In addition, transfer of a mining claim or operation does not relieve a mining claimant or operator of responsibility for obligations that accrued or conditions that were created while the mining claimant or operator was responsible for operations on the mining claim or in the project area. The operator of record is Diversified Stone Products, which included Steven L. Sorenson and Tony Aguiar. The claimants of record include Anthony J. Aguiar, Sharyn D. Aguiar, Patricia K. Sorenson, and Steven L. Sorenson.

## **DEMAND**

BLM demands that you initiate and complete the reclamation that is required by BLM's Noncompliance Order within thirty (30) days of the date of receipt of this letter. This includes the following actions:

- Waste rock material that remains in the waste rock dump on the slope below the quarry pit must be pulled up for backfill for re-contouring the quarry pit to the natural topography to the extent feasible. This material to be pulled up extends to the toe (lower edge) of the dump. Removal of this material shall be completed in a manner that does not or minimally disturbs the soil underlying the dump.
- Waste rock piles at the north end of the quarry must be used in backfilling the quarry as the surface disturbance is re-contoured to the natural topography.
- The dark gray material at the north end of the quarry that has been called "topsoil" appears to be waste rock material and must not be spread as topsoil.
- If any topsoil material is stockpiled, that material shall be spread over re-contoured land after the completion of reshaping the disturbance.



- After re-contouring the disturbed land, the re-contoured areas shall be seeded with the mixture and rate of application specified in the Noncompliance Order.

Prior to undertaking this reclamation, you **must** contact BLM and DOGM to arrange a meeting to discuss the work to be completed to assure your compliance with the Noncompliance Order.

This demand letter does not preclude DOGM from issuing orders or other correspondence in its execution of the State rules and the Board's ruling that reclamation must be completed.

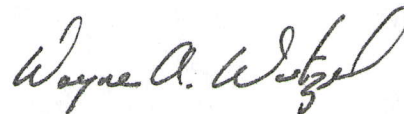
#### **FAILURE TO COMPLY WITH THIS DEMAND**

If you do not complete the reclamation within 30 days of the receipt of this letter, BLM will complete the reclamation of the surface disturbance that remains at the project area and charge you for the cost. Based on BLM's last site inspection, the cost estimate for BLM to reclaim the surface disturbance is \$36,782. This figure is only an estimate and is not the actual cost, which could significantly exceed the estimated cost. A copy of the cost estimate is enclosed.

If BLM reclaims the surface disturbance, BLM will account for all of its costs that are accrued in completing the reclamation. Upon completion of the reclamation, you will be requested to pay BLM for the accrued costs within 15 days. If you do not timely reimburse BLM for the accrued costs, BLM will issue you a decision demanding payment. Failure to pay or to respond as set forth in the decision may result in BLM charging you additional fees for administrative costs, interest, and penalties. Continued failure to pay may result in the delinquent debt being referred to a private collection agency or the U.S. Department of Justice for civil action against you.

#### **CONTACT INFORMATION**

If you have questions, please contact Michael Jackson at (435) 896-1522 or myself at (435) 896-1562.



Wayne A. Wetzel  
Associate Field Manager

Enclosure: Reclamation Cost Estimate, April 29, 2010 (13 p.)

cc with enclosure:

Anthony J. Aguiar, P. O. 882, Fillmore, Utah 84631  
(Certified Mail 7008 1830 0000 0480 5381, Return Receipt requested)

Sharyn D. Aguiar, P. O. 882, Fillmore, Utah 84631  
(Certified Mail 7008 1830 0000 0480 5398, Return Receipt requested)

Steven L. Sorenson, 235 North Main Street, Kanosh, Utah 84637  
(Certified Mail 7008 1830 0000 0480 5411, Return Receipt requested)

Patricia K. Sorenson, 235 North Main Street, Kanosh, Utah 84637  
(Certified Mail 7008 1830 0000 0480 5428, Return Receipt requested)

Lynn Kunzler, Division of Oil, Gas, and Mining, State of Utah, Box 145801, Salt Lake  
City, Utah 84114-5801 (S/041/027)

DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary

Bond Cost Estimate	
Earth Moving	\$19,497
Site Work	\$346
Planting and Seeding	\$1,384
Closures	\$0
Demolition	\$0
Disposal	\$0
Monitoring	\$0
Mobilization	\$4,940
Administration	\$10,616
Required Bond Value	\$36,782

Evaluator: Evaluator  
Thursday, April 29, 2010

Bureau of Land Management  
Sherpa for Reclamation Bonds - Version 2.07



DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Job Cost Summary

Project Job Costs	
Lift waste rock to quarry	\$8,988
Contour waste & disturbance	\$3,785
Backfill/contour disturbance	\$6,183
Open access road	\$207
Reclaim access road	\$333
Seeding	\$1,384
Scarify	\$346
Equipment Mobilization	\$4,940
Total	\$26,166

Evaluator: Evaluator  
Thursday, April 29, 2010

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DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Project Overhead

Administrative and Overhead Charges			
Project Operation and Maintenance Costs			\$26,166
Project Contingency	10.00 percent		\$2,617
Contractor's Profit	10.00 percent		\$2,617
Liability Insurance	1.50 percent		\$123
Bond Premium	3.00 percent		
Engineering and Design	8.00 percent		\$2,093
Agency Indirect Costs	10.00 percent		\$2,617
Agency Contract Management	21.00 percent		\$549
Total Project Overhead Cost			\$10,616
Evaluator:	Evaluator	Bureau of Land Management	
Thursday, April 29, 2010		Sherpa for Reclamation Bonds - Version 2.07	

DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Project Data

Project Parameters	
Project Location	Utah
Region	Remaining Counties
Distance to Support	40.0 miles
Distance to Dump Site	miles
Distance to Hazardous Waste Dump	miles
Special Rate Wage Adjustment	percent
Special Rate Burden Adjustment	percent
Post Closure Monitoring Period	months
Hourly Labor Costs (Wages plus Fringe Benefits)	
Supervisors	\$55.00 /hour
Loader Operators	\$0.00 /hour
Scraper Operators	\$0.00 /hour
Bulldozer Operators	\$45.00 /hour
Backhoe Operators	\$45.00 /hour
Grader Operators	\$0.00 /hour
Haul Truck Drivers	\$29.16 /hour
Breaker Operators	\$0.00 /hour
Tractor Operators	\$45.00 /hour
Service Truck Drivers	\$0.00 /hour
Construction Workers	\$0.00 /hour
Mechanics	\$0.00 /hour
Demolition Laborers	\$0.00 /hour
Site Work Laborers	\$45.00 /hour
Supply Costs	
Diesel Fuel	\$2.485 /gallon
Gasoline	\$2.282 /gallon
Electric Power	\$0.050 /kWh
Off-site Maintenance Labor	\$39.11 /hour
Evaluator: Thursday, April 29, 2010	Bureau of Land Management Sherpa for Reclamation Bonds - Version 2.07



DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Earthwork Costs

Excavate/Stockpile

Lift waste rock to quarry

Excavator

Bank Density

Swell Factor

Excavated Density

Backhoe Bucket Volume Capacity

Backhoe Bucket Weight Capacity

Backhoe Availability

Backhoe Bucket Fill Factor

Volume

Backhoe Swing Angle

Average Digging Depth

Total Cycle Time

Job Cost

Backhoe # 1

2,800 pounds/cubic yard

10 percent

2,545 pounds/cubic yard

3.10 cubic yards

13.9 tons

72.2 percent

95.0 percent

12,000 cubic yards

120 degrees

12.3 feet

.45 minutes

\$8,988

Evaluator: Evaluator  
Thursday, April 29, 2010

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DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Earthwork Costs

Contour waste & disturbance	
Excavator	Backhoe # 1
Bank Density	2,545 pounds/cubic yard
Swell Factor	0 percent
Excavated Density	2,542 pounds/cubic yard
Backhoe Bucket Volume Capacity	3.10 cubic yards
Backhoe Bucket Weight Capacity	13.9 tons
Backhoe Availability	72.2 percent
Backhoe Bucket Fill Factor	95.0 percent
Volume	6,000 cubic yards
Backhoe Swing Angle	120 degrees
Average Digging Depth	12.3 feet
Total Cycle Time	.45 minutes
Job Cost	\$3,785
Evaluator: Evaluator	Bureau of Land Management
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DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Earthwork Costs

Spread and Contour

Backfill/contour disturbance

Spreader

In-place Density

Swell Factor

Loose Density

Bulldozer Blade Capacity

Bulldozer Availability

Bulldozer Blade Efficiency

Bulldozer Traction Efficiency

Transport Distance # 1

Transport Gradient # 1

Volume Spread

Bulldozer Speed - Dozing

Bulldozer Speed - Transport

Bulldozer Speed - Return

Total Cycle Time

Job Cost

Bulldozer # 1

2,545 pounds/cubic yard

0 percent

2,542 pounds/cubic yard

8.98 cubic yard

80.1 percent

95.0 percent

70.0 percent

100 feet

44.0 percent

6,000 cubic yards

2.30 miles per hour

3.00 miles per hour

5.10 miles per hour

0.86 minutes

\$6,183

Evaluator: Evaluator  
Thursday, April 29, 2010

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DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Earthwork Costs

Slope Reduction	
Open access road	
Excavator	Bulldozer # 1
In-place Density	2,800 pounds/cubic yard
Swell Factor	10 percent
Excavated Density	2,545 pounds/cubic yard
Compacted Density	2,545 pounds/cubic yard
Initial Slope	20 percent
Desired Slope	1 percent
Face Height	2.0 feet
Bulldozer Blade Capacity	8.98 cubic yard
Bulldozer Availability	80.1 percent
Bulldozer Blade Efficiency	95.0 percent
Bulldozer Traction Efficiency	70.0 percent
Face Width	300 feet
Dozing Distance	50 feet
Dozing Gradient	10.5 percent
Transport Distance # 1	105 feet
Transport Gradient # 1	10.5 percent
Volume Transported	303 cubic yards
Bulldozer Speed - Dozing	2.30 miles per hour
Bulldozer Speed - Transport	3.00 miles per hour
Bulldozer Speed - Return	5.10 miles per hour
Total Cycle Time	1.42 minutes
Job Cost	\$207
Evaluator: Evaluator	Bureau of Land Management
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DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Earthwork Costs

Road Rehabilitation

Reclaim access road

Excavator

In-place Density

Swell Factor

Loose Density

Compacted Density

Side Slope

Cut Slope

Road Bed Width

Backhoe Bucket Volume Capacity

Backhoe Bucket Weight Capacity

Backhoe Availability

Backhoe Bucket Fill Factor

Road Length

Volume Transported

Backhoe Swing Angle

Average Backhoe Boom Reach

Total Cycle Time

Backhoe # 1

2,545 pounds/cubic yard

0 percent

2,542 pounds/cubic yard

2,545 pounds/cubic yard

20 percent

45 percent

14.0 feet

3.10 cubic yards

13.9 tons

72.2 percent

75.0 percent

300 feet

154 cubic yards

90 degrees

12.3 feet

1.12 minutes

Job Cost

\$333

Evaluator: Evaluator  
Thursday, April 29, 2010

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DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Site Work Costs

Seed	
Seeding	
Seed Variety	Arid Mix
Application Method	Mechanical
Area	2.00 acres
Application Rate	9.00 pounds/acre
Job Cost	\$1,384
Scarify	
Scarify	
Surface Area	2.00 acres
Average Side Slope	45.0 percent
Number of Passes	2 passes
Implement Width	12.0 feet
Average Machine Speed	3.0 miles per hour
Job Cost	\$346
Evaluator: Evaluator	Bureau of Land Management
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DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Project Fleet

Equipment Requirements	
Hydraulic Backhoe	3.10 cubic yard
Bulldozer	9.0 cubic yard
Crawler Tractor	75 horsepower
Crawler Tractor	195 horsepower
Evaluator: Evaluator	Bureau of Land Management
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DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Project Crew

Crew Requirements

Project Foremen	23.9 hours
Bulldozer Operators	49.3 hours
Backhoe Operators	83.7 hours
Seeder Operators	13.9 hours
Tractor Operators	1.9 hours
Laborers	1.9 hours

Evaluator: Evaluator  
Thursday, April 29, 2010

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DSP RECLAMATION  
DIVERSIFIED STONE PRODUCTS

RECLAIM SURFACE DISTURBANCE  
RECLAIM STONE QUARRY

Bond Cost Summary - Mobilization Costs

Equipment Mobilization Costs	
Hydraulic Backhoe	\$2,544
Bulldozer	\$1,164
Crawler Tractor	\$593
Crawler Tractor	\$639
Total Mobilization Cost	\$4,940
Evaluator: Evaluator	Bureau of Land Management
Thursday, April 29, 2010	Sherpa for Reclamation Bonds - Version 2.07